## **DENNIS J. KUCINICH**

10th District, Ohio

2445 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, D.C. 20515 (202) 225-5871

> 14400 DETROIT AVENUE LAKEWOOD, OHIO 44107 (216) 228-8850

> > Parmatown Mall. 7904 Day Drive Parma, OH 44129 (440) 845-2707



## Congress of the United States House of Representatives

www.kucinich.house.gov

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RANKING MEMBER
SUBCOMMITTE ON REGULATORY AFFAIRS,
STIMULUS OVERSIGHT AND GOVERNMENT
SPENDING

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

COMMITTEE ON EDUCATION AND THE WORKFORCE

The Honorable Shaun Donovan Secretary U.S. Department of Housing and Urban Development 451 7th Street S.W. Washington, D.C. 20410-0002

## Dear Secretary Donovan:

I have just been made aware that the Cuyahoga County Land Reutilization Corporation, commonly known as the Cuyahoga Land Bank, has been cut off from its agreement with HUD for the disposal of low-valued properties in Cuyahoga County. I ask that HUD reverse this decision to enable our community in Northeast Ohio to continue to recover from the devastating effects of our region's and our nation's recent economic collapse.

Greater Cleveland has been Ground Zero in the real estate collapse for several years before the actual collapse of our nation's banking and economic system in 2008. I held hearings on this phenomenon in Washington and Cleveland soon after taking chairmanship of the Domestic Policy Subcommittee of the House Committee on Oversight and Government Reform in 2007. I identified the targeting of certain minority and economically disadvantaged communities in the Cleveland area where neighborhoods were already being devastated by actions of Wall Street with a blind our by our nation's regulatory agencies.

While there are reasons to be optimistic that current policies taken by the Obama Administration are starting to have positive effects, Northeast Ohio is far from recovered. Communities in Cuyahoga County are still in desperate straits with regard to any semblance of control over devastated real estate directly related to past national policies and neglect that resulted in the crisis. According to the Cuyahoga Land Bank, there have been 12,602 foreclosures filed so far this year in Cuyahoga County, compared with 13,164 last year.

Help is still needed. Now is not the time for HUD to turn its back on affected urban and suburban communities. Cities in Cuyahoga County still need to get control of its Real Estate Owned properties. This is absolutely the wrong time to leave these properties to the fate of the market with flippers and speculators who are still only too willing to make money on real estate turnover without adding value that our communities still desperately need.

Enclosed for your convenience are the letters from HUD informing the Cuyahoga Land Bank that it intends to end its agreement and the Land Bank's response sent yesterday to HUD's

Homeownership Center's director. I ask that you reverse this action to enable Cuyahoga County to continue its recovery and enable local communities to stay apace with the economic development that our region and our nation still need to continue the recovery. I will contact you to discuss this in greater detail or please call me at 216-228-8850. Thank you for your attention to this urgent matter.

Sincerely,

Dennis J. Kucinich Member of Congress

DJK: mg Enclosures (2)